# INFORMATION LETTER

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No. 977 — Washington, D. C. — March 18, 1944


## PRICE ACT EXTENSION IN PRESENT FORM REQUESTED

### OPA Chief Makes Plea in Appearance before Senate Banking and Currency Committee

The Senate Banking and Currency Committee began hearings March 15 on renewal of the Emergency Price Control Act. Chester Bowles, Administrator of the Office of Price Administration, was heard the first day.

Leading up to his request that the price control statute be extended substantially as it stands today and that a program of subsidies be authorized to keep down the cost of living, Mr. Bowles discussed the need of continued control of prices; the size of job that OPA has to do; the organization of this agency and the consequence of its rapid growth, such as complexity of regulations, failure to have adequate consultations with industry, over-centralization, defects in internal organization, and imbalance in personnel.

Mr. Bowles then enumerated the result of efforts during the past year to reorganize and streamline OPA, including the simplification of many regulations, full consultation with industry, decentralization of operations, establishment of clear lines of responsibility, restaffing, and improvement of cooperation with other government agencies.

Following Mr. Bowles' appearance before the Committee, it is planned that Deputy Administrators will appear to testify as to specific matters in their fields, and Mr. Bowles expressed the hope that before hearings are concluded, he would have an opportunity to comment upon suggestions that may be made to the committee by other witnesses and give the committee his best judgment as to how these proposed amendments would affect the OPA.

### Citrus Juice Set-aside

The War Food Administration notified canners March 17 to increase from 38 to 41 per cent the quantity of canned grapefruit juice and from 42 to 48 per cent the quantity of orange juice they are required to set aside.

This amendment to Food Distribution Order 22.5 is expected to raise the Government's grapefruit juice reserves from the 1943-44 pack from about 9,500,000 cases to approximately 9,900,000 cases and orange juice reserves from approximately 1,900,000 cases to about 2,200,000 cases (basis 24/2's). The entire increase wil go to the armed forces. Set-aside quantities of grapefruit segments and blended citrus juices were not changed.

### Acreage Contract Survey

Last year a survey of acreage contracted to the first of April was made by the Division of Statistics and reported in the INFORMATION LETTER for April 10. The information obtained in that survey was used as a basis for the correction of certain details in the Government's support program.

At the request of a number of canners a similar survey will be made this year. A questionnaire will be sent to canners next week. It is hoped that these questionnaires will be returned promptly because information of this character to be of any value must be assembled as soon as possible.

## OCCUPATIONAL DEFERMENT PROGRAM IS TIGHTENED

### State Directors Must Authenticate Deferred Status of 18 to 25 Year-old Registrants

Major General Lewis B. Hershey, Director of Selective Service, has written local draft board and appeal board members that occupational deferments, particularly with respect to registrants under the age of 26 years, must be more exacting.

Occupational deferments, he asserted, are a temporary expedient to permit employers to obtain replacements and only those registrants whose individual efforts in a critical activity make them virtually indispensable should be considered for occupational deferment.

This action followed telegraphic instructions sent March 14 to all State Directors of Selective Service and relayed to local boards in which General Hershey said that effective that date no registrant 18 through 25 may be considered as a necessary man for occupational deferment unless the State Director of the State in which he is employed recommends his occupational deferment. The only other exception

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## LETTER FROM OPA PRESENTS STATISTICS USED IN THE DEVELOPMENT OF PROCESSED FOODS RATIONING PLANS

In a letter to food processors, the Processed Foods Branch of the Food Rationing Division of the OPA has made available statistics it has compiled in developing the rationing program for processed foods.

"Point values on processed foods are determined chiefly on the basis of national statistics such as we include in this letter," K. E. Stauffer, Chief of the Processed Foods Branch, states. "We believe a review of these figures will not only give you a better understanding of the policy of this office, but will be of assistance to you in the operation of your business.

"We hope that the following tables will give you a comprehensive picture of the movement and supply of processed foods as they have been reported to us by processors and wholesalers and compiled on a national scale.

"Production figures given for 1944 are OPA estimates, based upon surveys and reports from processors, together with agricultural statistics from the Department of Agriculture. Allocation figures for 1944 (government requirements and civilian allocation) are estimates based upon the percentage requirements of the War Food Administrator, which include the needs of armed forces and other government agencies."

The following table shows the total civilian stocks of specified commercially canned foods in processors' and distributors' hands on January 1, 1942, 1943, and 1944, and the amount of these stocks in the hands of processors and distributors, respectively on January 1, 1943 and 1944. Quantities are stated in thousands of standard cases of 24 No. 2½ fruits and 24 No. 2 vegetables,

juices, and specialties. The source of the figures, OPA states, is in OPA Reports R-1305 and R-1310(CF-1 and CF-2).

| Commodity | Total civilian stocks 1942 | Total civilian stocks 1943 | Total civilian stocks 1944 | Processors 1943 | Processors 1944[1] | Distributors 1943 | Distributors 1944 |
|---|---|---|---|---|---|---|---|
| | *Thou. cases* | *Thou. cases* | *Thou. cases* | *Thou. cases* | *Thou. cases* | *Thou. cases* | *Thou. cases* |
| Grand total | 191,212 | 128,763 | 132,986 | 78,989 | 67,632 | 49,774 | 65,354 |
| Total canned fruits | 38,451 | 23,875 | 14,473 | 15,623 | 9,574 | 8,252 | 4,899 |
| Mixed fruit | 4,884 | 2,866 | 1,846 | 2,042 | 905 | 824 | 941 |
| Peaches | 10,310 | 7,183 | 3,684 | 4,423 | 2,268 | 2,760 | 1,416 |
| Pears | 5,006 | 3,472 | 984 | 2,883 | 634 | 589 | 350 |
| Pineapple | 4,369 | 2,549 | 3,107 | 1,708 | 2,472 | 841 | 635 |
| Plums and prunes | 1,549 | 814 | 1,455 | 571 | 967 | 243 | 488 |
| All other fruits | 12,333 | 6,991 | 3,397 | 3,996 | 2,328 | 2,995 | 1,069 |
| Total canned juice | 30,885 | 24,212 | 17,382 | 14,196 | 9,499 | 10,016 | 7,883 |
| Grapefruit juice | 3,168 | 3,017 | 3,998 | 1,232 | 2,008 | 1,785 | 1,990 |
| Pineapple juice | 4,509 | 2,111 | 2,411 | 1,421 | 1,809 | 690 | 602 |
| Tomato juice | 16,392 | 14,049 | 8,220 | 8,943 | 3,780 | 5,106 | 4,434 |
| All other juice | 6,756 | 5,035 | 2,753 | 2,600 | 1,896 | 2,435 | 857 |
| Total canned vegetables | 107,400 | 69,886 | 89,854 | 43,157 | 42,546 | 26,729 | 47,308 |
| Beans, green and wax | 6,655 | 8,071 | 13,938 | 4,637 | 6,062 | 3,434 | 7,876 |
| Corn | 17,590 | 13,997 | 15,930 | 9,304 | 8,016 | 4,693 | 7,914 |
| Peas | 15,048 | 10,452 | 16,312 | 6,457 | 7,624 | 3,995 | 8,688 |
| Tomatoes | 19,744 | 13,567 | 14,507 | 6,740 | 5,883 | 6,827 | 10,624 |
| All other vegetables | 48,354 | 23,799 | 29,167 | 16,019 | 16,961 | 7,780 | 12,206 |
| Total canned specialties | 14,476 | 10,790 | 11,277 | 6,013 | 6,013 | 4,777 | 5,264 |
| Baby foods | 1,742 | 2,756 | 3,697 | 2,261 | 3,158 | 495 | 539 |
| Soups | 12,734 | 8,034 | 7,580 | 3,752 | 2,855 | 4,282 | 4,725 |

[1] Adjusted for government requirements.

A scheduled or planned disappearance of processed foods from the combined processor-wholesaler levels is worked out separately for each rationed commodity in the program. The available civilian supply is based on the actual and estimated production proportioned monthly according to seasonal demand.

The following table shows the scheduled and actual disappearance of commercially canned fruits, vegetables, and specialties during the period April 1, 1943, to January 1, 1944. Quantities are stated, as in the preceding table, in thousands of standard cases. Sources for this table are OPA Reports R-1305 and R-1310.

| | Scheduled | Actual | Per cent actual is of schedule |
|---|---|---|---|
| | *Thous. cases* | *Thous. cases* | *Per cent* |
| Grand total | 194,357 | 185,731 | 96 |
| Total canned fruits | 23,520 | 27,658 | 118 |
| Mixed fruits | 2,892 | 3,500 | 121 |
| Peaches | 6,538 | 8,081 | 128 |
| Pears | 2,195 | 3,124 | 142 |
| Pineapple | 4,469 | 4,641 | 104 |
| Plums and prunes | 1,300 | 1,401 | 108 |
| All other fruits | 6,335 | 6,902 | 109 |
| Total canned juices | 36,077 | 35,374 | 98 |
| Grapefruit juice | 11,432 | 10,965 | 96 |
| Pineapple juice | 5,717 | 4,003 | 70 |
| Tomato juice | 11,323 | 13,451 | 119 |
| All other juice | 7,605 | 6,955 | 91 |
| Total canned vegetables | 112,086 | 101,031 | 90 |
| Beans, green and wax | 15,709 | 8,725 | 56 |
| Corn | 17,390 | 16,288 | 94 |
| Peas | 18,588 | 20,126 | 108 |
| Tomatoes | 17,124 | 15,253 | 89 |
| All other vegetables | 43,275 | 40,639 | 94 |
| Total specialties | 22,674 | 21,668 | 96 |
| Baby foods | 5,925 | 4,866 | 82 |
| Soups | 16,749 | 16,802 | 100 |

In the following table is given a comparison of production, government requirements, and civilian supply of canned fruits, vegetables, and specialties for the years 1943 and 1944. Quantities are stated in millions of standard cases.

| | 1943 Production | 1943 Gov't requirements | 1943 Civilian supply | Estimated 1944 Production | Estimated 1944 Gov't requirements | Estimated 1944 Civilian supply |
|---|---|---|---|---|---|---|
| | *Mill. cases* | *Mill. cases* | *Mill. cases* | *Mill. cases* | *Mill. cases* | *Mill. cases* |
| Fruits | 45.4 | 19.5 | 25.9 | 57.7 | 34.1 | 22.6 |
| Juices | 64.4 | 22.5 | 41.9 | 66.6 | 29.4 | 37.2 |
| Vegetables | 188.3 | 43.7 | 144.6 | 193.4 | 85.0 | 108.4 |
| Specialties | 29.9 | .4 | 29.5 | 34.5 | .4 | 34.1 |
| Total | 328.0 | 86.1 | 241.9 | 351.2 | 148.9 | 202.3 |

Production, government requirements, and civilian supply of canned and bottled fruits and vegetables for the years 1941-1944, and the average for 1937-1941, are shown in the following table in millions of standard cases.

| Year | Production | Gov't requirements | Civilian supply |
|---|---|---|---|
| | *Mill. cases* | *Mill. cases* | *Mill. cases* |
| 1937-1941 average | 285.8 | ..... | 285.8 |
| 1941 | 349.5 | 28.1 | 321.4 |
| 1942 | 360.7 | 113.6 | 247.1 |
| 1943 | 328.0 | 86.1 | 241.9 |
| 1944[1] | 351.2 | 148.9 | 202.3 |

[1] Estimated.

## Virginia Re-elects Officers

All officers of the Virginia Canners Association were re-elected at the annual meeting held recently in Roanoke. They are: President, L. D. Johnson, Bedford; vice-president, G. H. Burkholder, Thaxton; secretary-treasurer, F. W. Brugh, Fincastle.

## Farm Labor As of March 1

On March 1 this year, 8,562,000 people were working on farms in the United States, the lowest number on record for that date, according to the regular Bureau of Agricultural Economics report on farm labor. A summary of this report, issued on March 14, contains the following statements:

The decline of 168,000 workers from last March is not all due to scarcity of workers, as bad weather on or about March 1 this year prevented field work in some sections of the country. However, there has, of course, been a definite decline in number of persons working on farms in recent years as is evidenced by the fact that farm employment this March is more than 4 per cent less than in March, 1940. Compared with the February 1 estimate of 8,383,000 persons, the number of farm workers made about the usual increase for the month. Most farmers this year have the additional concern as to what effect the reclassification of deferred farm workers will have on their farm labor situation and their prospects of carrying out crop intentions for 1944.

## Higher Rotenone Dust Ceiling

An increase in the maximum prices for agricultural dusts mixed with rotenone has been granted western sellers whose prices were frozen at unduly low levels in the original regulation governing prices of these products, the Office of Price Administration announced March 12. The action is taken through Maximum Price Regulation 298, effective March 16.

Specific prices will not permit a western manufacturer a margin above direct manufacturing costs comparable to the average margin prevailing on rotenone dusts in the eastern States. This action will forestall a threatened shortage of the product. It will not raise the cost of rotenone dusts to farmers above the cost of any substitute which might be used, and it will not raise the cost of living.

## OPERATION OF TRUCKS

### Registration of Vehicles and Rules on Loading Are Provided in ODT Orders and Amendments

The Office of Defense Transportation has issued an administrative order designed to help over-the-road truck operators utilize their equipment fully by registering freight and empty or partly loaded vehicles with ODT district offices. The order, Administrative Order ODT 10, becomes effective March 27.

To conform to the new regulation plan, ODT announced a revision of the loading requirements of over-the-road carriers and revocation of General Order ODT 13, which authorized the establishment of Joint Information Offices. These actions also will be effective March 27. The actions revising loading requirements of over-the-road carriers were taken in Amendment 5 to General Order ODT 3, Revised, and Amendment 7 to General Order ODT 17.

Under the plan, registration facilities will be established at all ODT district offices, located in 142 cities.

Vehicles exempted from the requirements of General Orders ODT 3, Revised, and ODT 17 are likewise exempted from the new registration plan, ODT said. These include tank trucks, certain truck operations conducted by farmers, and vehicles whose capacity load does not exceed 12,000 pounds gross weight.

In the event that a carrier's empty or partly loaded truck is not near an ODT district office, he is still required to communicate with shippers or other carriers in the vicinity if he is a common carrier, and with other carriers if he is a private or contract carrier, for the purpose of acquiring a capacity load or leasing his empty vehicle.

Coincident with the establishment of the new traffic and vehicle registration program, a reporting system has been adopted to provide for a weekly interchange of information on traffic and vehicle flow between districts. By means of this reporting system, ODT pointed out, the district managers will be better able to expedite traffic and assist the carriers in eliminating dead mileage and achieving more efficient use of equipment and manpower.

Partly loaded trucks operated by private and contract carriers will not be registered, but empty trucks of such carriers must be registered and may be leased to other carriers at the direction of the district manager.

In no case will a carrier be directed to transport more than a capacity load or transport freight in a vehicle inadequate for the purpose, ODT stated.

When the amount of compensation to be paid for the use of the vehicle is not agreed upon by the parties to the transaction, it will be computed in accordance with schedules prescribed by ODT.

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## Purchase Regulations Cover New Rear-wheel Tractor Tires

Only when the present rear-wheel tractor tire is worn beyond the recapping stage may ration certificates be issued by local War Price and Rationing Boards to purchase new rear-wheel tractor tires, the Office of Price Administration ruled March 14, in issuing Amendment 71 to Ration Order 1A.

Previously, where recapping facilities were unavailable or inadequate at any one time in an area, a user was permitted to get a ration certificate from his board to buy either a new front or rear-wheel tractor tire even though the tire to be replaced was recappable.

However, it has been found necessary to restrict the issuance of certificates for rear-wheel tractor tires to those cases where the tire to be replaced is beyond all possible repair because of the acute shortage of this type of tire.

Ration certificates for new front-wheel tractor tires may still be issued where recapping facilities are unavailable or inadequate at a particular time.

OPA also announced that operators of delivery trucks for transporting essential foods are now eligible for new "obsolete" tires.

These tires are ones on which production has been discontinued because they are no longer currently used on recently produced vehicles. They include such tires as a 4.50-21, 5.00-20 or 5.25-21, and can often be used on such delivery trucks.

In addition, these trucks will continue to be eligible for used (Grade III) passenger tires and for used truck tires of sizes smaller than 7.50-20.

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## Walsh-Healey Extension

The Division of Public Contracts of the Department of Labor has extended to December 31, 1944, the exception of contracts for evaporated milk and powdered skimmed milk from the provisions of Section 1 of the Walsh-Healey Act.

This exemption originally was granted on November 4, 1942, to extend to December 31, 1943, and on February 22 of this year the Secretary of War requested the extension to December 31, 1944.

## NEW GASOLINE RATIONING FOR OFF-HIGHWAY USERS

### "R" Coupons Made Invalid at Filling Stations Except by Special OPA District Permit

Amendment 111 to Ration Order 5C, controlling the use of the 5-gallon "R" coupons issued to non-highway users, became effective March 13, and the plan, as explained by the Office of Price Administration, will be put into effect April 1.

The essence of the plan is to make the "R" coupon invalid for buying gasoline at filling stations or other retail establishments, unless the filling station has received permission from the OPA district director to accept "R" coupons on the grounds that more than half its business consists of bulk transfers. This means that after April 1 only non-highway users who buy their gasoline at bulk plants or authorized filling stations, or who have it delivered into storage tanks on their own premises, will use the "R" coupons, while those who get their gasoline at other retail outlets will use the one-gallon "E" coupon, OPA stated.

The rules governing the "E" coupon remain unchanged. These coupons may be accepted at filling stations so long as they are not exchanged for gasoline delivered into a tank of a motor car.

Those who do buy most of their gasoline at filling stations will have from March 13 to April 1 to bring "R" coupons in to their local War Price and Rationing Boards to be exchanged for "E" coupons. The ration board, if it finds the need for "E" coupons is genuine, will make the change for all or any part of the ration.

There will be no change in the customary buying habits of non-highway users. Those who have been accustomed to buying their gasoline at filling stations will continue to do so. They will simply use "E" coupons instead of "R" coupons.

The burden that might have fallen on those who buy at filling stations—that of endorsing five "E" coupons for every "R" coupon they would otherwise have used—is eliminated by another amendment to the regulations which becomes effective March 15. This will permit a single endorsement on any strip or block of "E" or "R" coupons turned over to the dealer for a single purchase. Specifically, a farmer or other user who buys 25 gallons of gasoline and offers a strip of 25 "E" coupons in exchange may write his name and address just once, either across the strip or on one coupon of the strip.

## GRAPEFRUIT JUICE PRICES ON SALES TO GOVERNMENT

### Amendment Provides for Adjustment between Maximum and Actual Increases in Raw Fruit Costs

Price reductions which processors must make on government sales of grapefruit juice packed between October 1, 1943, and January 31, 1944, were announced March 14 by the Office of Price Administration, in issuing Order No. 1 under Maximum Price Regulation No. 509, and Amendment No. 1 to MPR 509, both of which became effective on March 13.

The reductions, in cents per dozen cans, represent the difference between the maximum raw fruit cost increase, 1944 crop over 1943, included in the maximum prices established on February 4, 1944, for government sales of the juice and the amounts actually paid by processors for raw grapefruit. Increased costs of raw fruit in civilian sales, constituting about 65 per cent of the 1944 pack of grapefruit juice, are covered by a subsidy, OPA explained.

The reductions are figured in three amounts, one for the combined months of October and November and one each for December and January.

The maximum prices, per dozen cans, f.o.b. factory, for government sales of grapefruit juice which were established on February 4, appeared in the INFORMATION LETTER for February 5.

The reductions provided are spelled out in the text of Order 1 to MPR 509, which is reproduced in full below.

In amending the regulation to provide for the reduction on government sales of grapefruit juice, OPA combined the months of October and November and provided for separate reductions for both December and January. The regulation, as originally issued, provided that the reduction for January would be applicable for prior months. The change is in conformity to a similar change made in the subsidy contracts covering civilian sales. A reduction to be made for the month of May, 1944, will apply to government sales of grapefruit juice packed during the period from May 1, 1944, through September 30, 1944. Text of Order 1 to MPR 509 follows:

PACKED CITRUS PRODUCTS OF THE 1944 AND LATER PACKS

ADJUSTMENT OF MAXIMUM PRICES

For the reasons set forth in an opinion issued simultaneously herewith, and in accordance with section 2.1 (c) of Maximum Price Regulation No. 509, *It is ordered:*

(a) For grapefruit juice packed during the respective periods set forth in paragraph (b) below, processors shall reduce the named maximum prices for government sales as listed in section 2.1 (a) of Maximum Price Regulation No. 509 by the amounts set forth below respectively for each period of pack, State or area and container size. The resulting figures shall be the processors' maximum prices for grapefruit juice packed during the respective periods for sales to government procurement agencies. For the purpose of applying the monthly area grapefruit juice cost reduction the States of Florida and Texas shall be treated as two separate areas.

*Example:* The maximum price for government sales of grapefruit juice named in section 2.1 (a) of MPR 509 for No. 2 size cans of natural, fancy grade grapefruit juice is $1.36 for Florida and Texas. The monthly area grapefruit juice cost reduction for October and November 1943, for grapefruit juice packed from grapefruit produced in Texas is $.105 for the same container size. The processor, therefore, subtracts $.105 from $1.36 ($1.36 minus $.105 equals $1.255) and the resulting figure is his maximum price for sales of grapefruit juice packed during the months of October and November 1943, for sales to government procurement agencies.

(b) Reduction per dozen containers:

| State or area | Style of pack | Grade | Period of pack | Reduced maximum prices named in section 2.1 (a) for government sales per dozen containers by amounts set forth below | | |
|---|---|---|---|---|---|---|
| | | | | No. 2 Can | No. 3 Cyl. Can | No. 10 Can |
| Florida | All | All | October and November, 1943 | $0.1250 | $0.3125 | $0.6625 |
| | | | December, 1943 | .0900 | .2250 | .4770 |
| | | | January, 1944 | .0900 | .2250 | .4770 |
| Texas | All | All | October and November, 1943 | .1050 | .2625 | .5565 |
| | | | December, 1943 | .1050 | .2625 | .5565 |
| | | | January, 1944 | .0900 | .2250 | .4770 |
| California and Arizona | All | All | October and November, 1943 | .1200 | .3000 | .6360 |
| | | | December, 1943 | .0900 | .2250 | .4770 |
| | | | January, 1944 | .1450 | .3625 | .7685 |

(c) This order may be revoked or amended by the Price Administrator at any time.

This order shall become effective March 13, 1944.

### Text of Amendment 1

Text of Amendment No. 1 to MPR 509 follows:

Section 2.1 (c) (1) is amended to read as follows: (1) Processors' maximum prices for sales to government procurement agencies shall be the maximum prices named in paragraph (a) for such sales, less the amount of the applicable monthly area grapefruit juice cost reduction for the month in which such grapefruit juice was packed: *Provided*, That the monthly area grapefruit juice cost reduction for the months of October and November, 1943 (not segregated according to separate months), shall be applicable to sales of grapefruit juice packed during the period from October 1, 1943, through November 30, 1943. The monthly area grapefruit juice cost reduction for the month of May, 1944, shall be applicable to sales of grapefruit juice packed during the period from May 1, 1944, through September 30, 1944.

## Interchange of Box Orders

Some ten thousand manufacturers and distributors of 36 essential types of containers and pulpboard are being encouraged by War Production Board officials to cooperate in a voluntary exchange of orders for containers and pulpboard where possible so as to avoid unnecessary transportation.

WPB container and paperboard officials are most interested in seeing to it that producers, distributors and users of containers take advantage of the exchange of orders permitted under the regulations. Such voluntary action, they said, will not only conserve transportation facilities by bringing the point of origin nearer ultimate destination, but will actually effect more prompt delivery of orders, without disturbing customer relationships.

## OCCUPATIONAL DEFERMENT PROGRAM

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for such registrants will be if they are engaged in an activity specifically excepted by the Director of Selective Service from the new policy.

Since February 1 this same procedure has been applied to registrants 18 to 22 years of age.

Under this procedure, General Hershey said that State Directors are expected to recommend deferments of individual registrants under 26 years of age without whose services the production requirements of critical industry cannot be met. The making available for induction of registrants under 26 years of age will permit deferment of registrants 26 years of age and over in critical industries with progressive consideration for their relative irreplaceability and increase in age, he stated.

## Uniform Ceilings Issued for Crates, Lugs, Boxes, Baskets

Establishments of uniform producers' dollars-and-cents ceiling prices for all wooden agricultural containers produced east of the Rocky Mountains was announced March 14 by the Office of Price Administration, through the issuance of Revised Maximum Price Regulation No. 320, effective March 18.

As a whole, the new ceilings average 10 per cent higher than previous maximum prices, reflecting increases in production costs experienced since February, 1943, when the previous ceilings were issued.

Prices for individual containers have been increased more than 10 per cent in some cases, but in others they have been reduced. After consultation with the industry, the new prices, OPA said, have been established on the basis of actual production costs, rather than on the basis of pre-war price relationships.

The new ceilings, f.o.b. mill, for representative containers, are as follows:

| Container | Old ceiling | New ceiling | Per cent change |
|---|---|---|---|
| Vegetable crate, 9 x 13 x 22 inches (ea.) | .22½ | .24¼ | + 7.8 |
| Tomato lug, 6 5/16 x 13 1/2 x 15 7/8 inches (ea.) | .21 | .18 | −16.7 |
| 1 bushel round bottom basket (dos.) | 2.31 | 2.64 | +14.4 |
| 1/2 bushel round bottom basket (dos.) | 2.07 | 2.07 | no change |
| 2/5 bushel citrus box (ea.) | .20 | .13 | −35.0 |

Previously, ceiling prices had been established for seven specific geographical zones on the basis of historical price relationships in connection with production costs then available. In the 12 months since that time, however, costs were found to have become relatively uniform in all zones, making establishment of uniform prices on an f.o.b. basis possible in all producing areas east of the Rockies.

## Wholesale Inventory Ruling

Wholesalers dealing in canned meats, canned fish, fats and other foods covered by Ration Order No. 16 will be granted permanent increases in their "allowable" inventory of ration points only when the need for the larger number of points has been demonstrated in a six-week trial period, the Office of Price Administration rules in Amendment 113 to RO-16, which became effective March 16.

## Shipping Case Ratings

Attention is called to the fact that under Order P-146, canners, to obtain fibre shipping containers, may use a rating specifically assigned by the government procurement agencies.

This provision is contained in Section (k)(2) of the order, which follows:

(2) *Containers for export shipment of products on List A of Priorities Regulation 3.* A person may use a rating, assigned specifically for fibre shipping containers by the Army, the Navy, the Maritime Commission, the War Shipping Administration and the Foreign Economic Administration, only for the following purposes: To get fibre shipping containers which will be packed in the United States with a product appearing on List A of Priorities Regulation 3 and shipped to any point outside of the forty-eight States, the District of Columbia, Canada or Mexico, to or for the account of the Army, the Navy, the Maritime Commission, the War Shipping Administration or for Lend-lease purchases. The same rating may be used to replace in inventory any fibre shipping containers used for such export shipment.

## Frozen Fruit and Vegetable Stocks Held in Cold Storage

Stocks of frozen fruits in storage on March 1, 1944, totaled 186,844,000 pounds, against 209,824,000 on February 1, 1944, and 145,272,000 on March 1, 1943, according to the Food Distribution Administration. Frozen vegetable stocks on March 1, 1944, were 153,762,000 pounds against 169,658,000 on February 1 this year and 74,821,000 on March 1, 1943. The following table furnishes details by commodities:

| | Mar. 1, 1943 | Feb. 1, 1944 | Mar. 1, 1944 |
|---|---|---|---|
| Fruits | *1,000-lbs.* | *1,000-lbs.* | *1,000-lbs.* |
| Blackberries | 5,314 | 7,506 | 6,357 |
| Blueberries | 6,616 | 13,254 | 12,581 |
| Cherries | 20,738 | 16,933 | 14,219 |
| Logan and similar berries | 3,310 | 4,016 | 3,308 |
| Raspberries | 12,562 | 14,912 | 13,285 |
| Strawberries | 25,567 | 19,915 | 16,787 |
| Other fruits | 48,196 | 97,300 | 86,658 |
| Classification not reported | 22,969 | 35,988 | 33,649 |
| Total | 145,272 | 209,824 | 186,844 |
| Vegetables | | | |
| Asparagus | 4,163 | 4,780 | 4,019 |
| Beans, lima | 11,053 | 10,010 | 8,419 |
| Beans, snap | 3,666 | 13,951 | 12,297 |
| Broccoli, green | 1,166 | 2,217 | 2,856 |
| Corn, sweet | 4,278 | 14,736 | 13,000 |
| Peas, green | 21,792 | 39,599 | 35,392 |
| Spinach | 4,854 | 11,518 | 10,488 |
| Other vegetables | 9,301 | 28,407 | 28,531 |
| Classification not reported | 14,548 | 44,431 | 38,670 |
| Total | 74,821 | 169,658 | 153,762 |

## Change Made in Processors' Ceilings for Maine Sardines

Processors' maximum prices on Maine sardines were changed March 15 by the Office of Price Administration from an f.o.b. Portland base to prices f.o.b. the railroad shipping point nearest the cannery. To make this change, base prices were reduced by four cents per case, under the terms of Amendment No. 4 to Maximum Price Regulation No. 184, effective March 20.

In the original regulation, seven cents per case was added to the base prices to cover transportation from the outlying canneries to Portland. The new bases, including an allowance of three cents per case to cover transportation costs from the canneries to the nearest railhead, were established at the request of the industry and of the War Food Administration.

Text of Amendment 4 to MPR 184 follows:

Section 1364.112(a) is amended to read as follows:

(a) The prices set forth below are maximum prices per case for Maine sardines, f.o.b. the railroad shipping point nearest the cannery. The maximum prices are gross prices before the deduction of any discounts.

| Description | | Maximum price |
|---|---|---|
| Container size and type | Style of pack | *Per Case* |
| Keyless ¼'s standard pack. | Cottonseed oil, soybean oil, mustard. | $4.43 |
| Keyless ¼'s standard pack. | Tomato sauce | 4.48 |
| ¼'s decorated tops with keys, standard pack. | Cottonseed oil, soybean oil, mustard. | 5.18 |
| ¼'s decorated tops with keys, standard pack. | Tomato sauce | 5.23 |
| ¼'s wrapped or in cartons with keys, standard pack. | Cottonseed oil, soybean oil, mustard. | 5.43 |
| ¼'s wrapped or in cartons with keys, standard pack. | Tomato sauce | 5.48 |
| Keyless ¼'s standard pack. | Mustard | 4.43 |
| Keyless ¼'s standard pack. | Tomato | 4.48 |

## Index of LETTER

With this week's INFORMATION LETTER is included a four-page index of the material published in the LETTER during the last six months of 1943. This index is prepared primarily for the increasing number of canners who maintain permanent files of the INFORMATION LETTER and who find that many of the questions they would otherwise have to handle through correspondence can be answered by consulting these files.

## PROPOSALS IN HOUSE

### Series of Bills Define Agriculture; Others Deal with Farm Credit and Deferments

During the past week, five bills have been introduced in the House by Representatives Flannagan, Hope, Kleberg, Lea and Phillips (H. R. 4385, 4386, 4387, 4388, and 4389, respectively) to define the term "agriculture".

These bills define "agriculture" as including the activities and services forming "agricultural labor" as defined by the Fair Labor Standards Act (Sec. 3(b)) and the social security tax provisions (Internal Revenue Code, Sec. 1426(h)). This definition would be required for use in all administrative and executive orders and regulations and for all acts of Congress *except* statutes which specifically provide another definition of "agriculture". The definition would not be required for use in connection with statutes and administrative rules and regulations dealing "with matters other than the production or preparation for market of agricultural commodities or to services or activities in connection with such production or preparation."

The purpose of the definition seems to be to prevent administrative reduction of the various statutory provisions for farmers and to provide some certainty and uniformity in applying regulations and statutes to farming operations. The precise effect of the definition upon all phases of processing of agricultural commodities is not clear, but apparently canners would not be greatly affected by the proposed definition.

#### Farm Credit

Representative Cooley introduced on March 13 a bill to revise the credit and loan services for farmers and agricultural organizations (H. R. 4384). This bill would abolish the Farm Security Administration and repeal part of the Bankhead-Jones Farm Tenant Act (Title II). It also would repeal loan functions and powers of the Farm Credit Administration.

The bill then would create a Farmers Home Corporation within the Department of Agriculture which would handle all farm credit and loan operations.

#### Selective Service

Representative Sikes introduced on March 14 a bill to require deferment of induction of persons engaged in "agricultural occupations and commercial fishing operations essential to the war effort" (H. R. 4403). The bill would require deferment of these employees until a satisfactory replacement is found. However, the employee would be frozen in the job and could not leave to take another job without first obtaining a decision by the local draft board that transfer to the new job "is in the best interest of the war effort."

## Fish Point Loans Explained

Wholesalers of canned fish who wish to borrow points to build up their inventories are required to file such application for point loans by April 1, OPA announced on March 13.

## Bill for Conservation of Alaska Fisheries Favorably Reported

### Wallgren Measure Expected to Receive Prompt Consideration in Senate

The Senate Committee on Commerce favorably reported on March 9 a bill introduced by Senator Mon C. Wallgren of Washington designed to provide for the conservation and fuller utilization of Alaskan fisheries. The bill, S. 930, is expected to receive prompt consideration by the Senate.

The general purposes of the bill have been endorsed by the Department of the Interior, and the employers and employees of the Alaskan fishing industry. The bill provides, in general, for a revision and codification of the laws regulating Alaskan fisheries in light of changed economic conditions and fishing practices since the passage of the last important legislation on this subject in 1924.

The Fish and Wildlife Service of the Department of the Interior is continued as the agency to administer the provisions of the bill, and a comprehensive scheme of regulation is provided by which the Fish and Wildlife Service is given a broad and flexible authority to regulate all types of fishing gear. The Committee pointed out that the present methods of regulation do not permit efficient control of various fishing methods creating an undesirable intensity of fishing.

The bill reenacts the existing law that no person shall be given exclusive rights in Alaskan fisheries. The plan of regulation of the bill would require each person to obtain a license to engage in commercial fishing, which would be issued automatically, and also to obtain authority to use various types of fishing gear under rules and regulations issued by the Fish and Wildlife Service.

These rules and regulations are to be issued annually after public hearings to discuss the merits of proposed regulations for the next fishing season.

The bill also specifically provides for court review of certain decisions by the Director of the Fish and Wildlife Service. There is no similar provision in existing law regulating the Alaskan fisheries.

One of the important questions considered by the Senate Committee was the problem of protecting off-shore fisheries from exploitation and possible destruction of Alaskan fisheries. After careful examination of the problem, in the course of which recommendations of various interested governmental agencies were obtained, the present jurisdiction of the United States was left unchanged in order not to affect current negotiations on the same problem.

## Senate Passes Bill Authorizing Survey of Fishery Resources

On March 14 the Senate passed S. J. Res. 112, authorizing and directing the Fish and Wildlife Service of the Department of the Interior to conduct a survey of the character, extent, and condition of all of the marine and fresh-water fishery resources and other aquatic resources of the United States, its territories and possessions, including high-seas resources in which the United States may have interests or rights; and the economic organization and status of the industry based thereon.

The survey is to include but is not to be limited to a study of the current methods, practices, facilities and equipment used in producing commercial fishery products; the methods, practices, facilities, and equipment used in processing, distributing, transporting, marketing, and storing fishery products, including an assessment of measures required for the protection of these perishable commodities; and the methods, practices, facilities, and equipment which may be practicable for expanding the utilization of the existing or potential marine and fresh-water fishery resources, inclusive of recreational fishing; and the laws and regulations that govern the commercial and recreational fisheries.

The Fish and Wildlife Service is directed to submit a report to Congress not later than January 1, 1945, on the results of the survey, including recommendations on the various subjects studied. The resolution provides for an appropriation of $20,000 to carry out the work.

## April Again Designated as "Perfect Shipping Month"

April has again been designated as the "Perfect Shipping Month" by the National Association of Shippers Advisory Boards. Special emphasis during the month will be laid on the direct significance to the war effort of the major objectives of the drive.

This campaign, now in its ninth year, lays stress on the importance of good packing, secure loading, and careful handling of freight and express shipments, to increase transportation efficiency. E. A. Jack is serving his second year as chairman of the management committee directing the drive.

Twenty-five thousand shipper-members of the 13 Advisory Boards which blanket the country will participate actively, while the Association of American Railroads, individual railroad systems, the Railway Express Agency, and motor truck and other interests will also take part. During the month a series of local meetings, at which prominent traffic and transportation men will discuss the subject, have been scheduled in many of the principal cities.

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## Refrigeration Specifications

Specifications for refrigeration condensing units for industrial and commercial refrigeration equipment, contained in Schedule 2 to Order L-126, have been revoked by the War Production Board.

The most important feature of the action was the removal of the prohibition on the use of steel in the construction of bases for refrigeration condensing units having motors over 20 horsepower in size. Revocation of this restriction will save valuable man hours formerly required to erect concrete bases at the time of installation of the unit, WPB explained.

The original purpose of this provision was to conserve steel, but now that the type of steel required is generally more available, it is considered more important to conserve manpower.

The revocation action also removed standardization restrictions which limited the number of models that each manufacturer could produce. Since a large percentage of the units now being produced are for military use and since those produced for the Army, Navy, and Maritime Commission were exempted from model standardization, it was felt by WPB that these restrictions were no longer necessary.

## Machinery Purchase Provisions

Canners may now purchase new canning machinery up to a value of $500 under their MRO AA-1 rating as provided in Controlled Materials Plan Regulation 5, according to War Production Board Order L-292 as amended March 11, 1944.

Formerly the purchase of new machinery was allowed only to the extent of $250. The $500 exemption is for new machinery for replacement purposes only.

The amended order also lifts the ban on the sale and transfer of used machinery.

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## Power Boiler Restrictions

Restrictions on specifications for power boilers that may be produced have been brought up to date, the War Production Board announces. Action was taken by amending of Limitation Order L-290.

The amended order provides that no person shall produce, fabricate or deliver and no person shall accept delivery of power boilers having a greater metal thickness or quantity of steel than needed to meet the minimum thickness requirements of Section I (Edition 1943) of the American Society of Mechanical Engineers Boiler Construction Code, and Addenda and Interpretations (including Case 968) issued prior to January 15, 1944. The restrictions previously were based on the 1940 edition of the ASME Boiler Construction Code and Addenda and Interpretations issued prior to July 1, 1943, the date Order L-290 was issued. Case 968 defines the safety factor required in the design of power boilers.

Exceptions to production and delivery restrictions are continued unchanged in the amended order.

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## Large Raisin Production Needed

The need for large supplies of dried fruits to meet the requirements of the armed services, U. S. civilians and allies, makes it imperative that a maximum production of raisins be obtained in 1944, the War Food Administration reports.

To accomplish this, it will be necessary that all raisin variety grapes produced in the eight California counties covered by Food Distribution Order 17, except those grapes used for canning, be dried or converted into raisins. These counties are Kern, Kings, Tulare, Fresno, Merced, Madera, Stanislaus and San Joaquin.

## End-use Statement Required in Buying Protective Coatings

Officials of the Protective Coatings Section of the Chemicals Bureau of the War Production Board on March 13 notified users of synthetic resin finishes, lacquers and lacquer thinners that they must give complete end-use information to their protective coating supplier when placing orders for these products.

Since lacquers, most synthetic finishes, and many special coatings and varnishes contain one or more allocated raw materials, officials explained that protective coating manufacturers cannot supply such products until WPB has approved, upon application, the specific end-uses to which the products will be put.

Users' end-use information should accompany purchase orders, it was emphasized. This should be stated in specific rather than in general terms and should refer to the product of item to be painted. End-use List WPBI-217 may be used as a guide for the type of end-use information considered adequate. For certain special coatings (those containing phthalic alkyd resins, phthalate plasticizers, ethyl cellulose, chrome pigments and certain other critical raw materials) in addition to end-use information, contract and specification numbers are required before allocations can ordinarily be made, it was pointed out.

While orders for paints which do not contain allocated ingredients need not be accompanied by end-use statement, the user should be certain of this fact before omitting such end-use information from the purchase order.

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## Dr. Skinner Retires from USDA

Dr. W. W. Skinner, chief of the Department of Agriculture's Bureau of Agricultural and Industrial Chemistry, will retire on March 31 after 40 years in the Federal Service.

Born in Baltimore March 28, 1874, Dr. Skinner attended the University of Maryland and George Washington University. After working in Arizona as a chemist, he joined the staff of the Department of Agriculture's Bureau of Chemistry in 1904 to assist Dr. Harvey W. Wiley in organizing the "pure food" work. In 1921 he became assistant chief.

When two bureaus were combined in 1927 to form the Bureau of Chemistry and Soils under the late Dr. Henry G. Knight, Dr. Skinner continued to serve as assistant chief of the chemistry unit until 1935, when he became assistant

chief of the entire bureau. Four years later he was appointed associate chief.

In 1942, following Dr. Knight's death, Dr. Skinner succeeded him as chief. By that time the bureau had become part of the Agricultural Research Administration, and shortly thereafter it was reorganized and named the Bureau of Agricultural and Industrial Chemistry.

## Strawberry, Raspberry Purchases

Purchase programs for strawberries of the Klondyke, Blakemore, Missionary and Marshall varieties, red raspberries of the Cuthbert, New Washington, Lloyd George and Lathem varieties, and black raspberries, all processed with sulphur dioxide solution, have been announced by the Office of Distribution of the War Food Administration.

The contracts which are to be handled by the Federal Surplus Commodities Corporation, will be on a per pound basis for the finished product, including all costs of raw fruit, materials, labor and packages, and at present contracts for raspberries are desired in Washington, Oregon, and Arkansas, and strawberries in Florida, Louisiana, Arkansas, Alabama, Tennessee, North Carolina, South Carolina, Oklahoma, and Kentucky. Contracts in other States may be negotiated at a later date, it was stated.

Accompanying the announcement were forms specifying details of the method of processing and container requirements. Additional details of the programs may be obtained from T. C. Waterman, Office of Distribution, WFA, Washington 25, D. C.

## Lallemant Named to WMC

Appointment of Donald P. Lallemant as a labor relations adviser in the Bureau of Utilization of the War Manpower Commission has been announced.

Mr. Lallemant, from 1935 to 1937, was identified with the National Recovery Administration and the Works Progress Administration as labor relations adviser. Since that time he has been active in the labor relations field as consultant to private industry.

## Ample Seed Potato Supply

The largest supply of seed potatoes in history is now available to enable farmers throughout the nation to make another record planting of Irish potatoes this year, the War Food Administration reports, in calling attention to the record 1943 production of certified and war-approved seed potatoes.

WFA states: Sharp increases in acreage last year in 23 out of 27 seed potato producing States jumped the 1943 production of certified seed potatoes from the previous high of 20,491,817 bushels produced in 1942 to a record output estimated to be more than 29,000,000 bushels. Supplies of certified seed potatoes, plus war-approved grade seed potatoes, make a total of 41,607,000 bushels which will be available to farmers this spring and summer. As a means of meeting the 1944 wartime Irish potato goal of more than 3½ million acres, farmers have been urged to increase their acreage yields.

## Home Canning Statistics

Production of home canning jars and closures has tripled in the past three years and is keeping pace with greatly increased demand, the War Production Board Container Division reported March 15.

Approximately 4,500,000,000 jars of food were put up in American homes in 1943. Impetus for home canning came from production limitations on commercially canned foods, rationing, Victory Garden activities, and the joint program of the Department of Agriculture and WPB to encourage home processing of foods, it was stated.

In the 1943 season (October 1, 1942, to September 30, 1943) the glass container industry produced 3,901,000 gross of one pint or one quart home canning jars. Production figures for home canning supplies follow (year dates are for the 12 months ending September 30):

Home canning jars—1941: 1,292,000 gross; 1942: 1,926,000 gross; 1943: 3,901,000 gross.

Total seals (all types)—1941: 14,947,000 gross; 1942: 22,003,000 gross; 1943: 31,836,000 gross.

## Sweet Potato Prices Frozen

Until a program of flat pricing of the 1944 crop of sweet potatoes can be worked out, maximum prices for all sellers, from country shipper through retailer, will remain at the levels at which they were "frozen" last December, the Office of Price Administration has announced.

In extending "freeze" prices, OPA added sweet potatoes to the list of fresh fruits and vegetables controlled by Maximum Price Regulation No. 376, through the issuance of Amendment 2 to that order, which became effective March 2.

Prices fixed under the freeze are on the basis of the individual seller's "high" for the five-day period from December 17 through December 21, 1943. At the grower level, the weighted average price during the base period was $2.02 per hundred pounds.

Sales of sweet potatoes to dehydrators are not included in Amendment 2 as they were recently exempted from price control.

## Black Pepper Requisitioned

About 6½ million pounds of black pepper have been requisitioned by the War Food Administration from importers and holders in the New York metropolitan area for civilian, military, and export needs. Although there is enough black pepper for these needs until 1946, under present distribution system, stocks have been withheld from sale to spice grinders and packers by holders who consider the price ceiling too low. This has prevented grinders and packers from operating under current quotas provided by Food Distribution Order 19, it was stated. WFA will offer requisitioned pepper to grinders and packers on the basis of stocks they now have on hand.

The Office of Price Administration has announced also that no price increase will be granted for whole black pepper. The announcement followed an OPA cost study made when certain pepper importers filed a petition for an increase in the ceilings provided under Revised Price Schedule No. 52 and its amendment.